



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 4/27/2001

GAIN Report #CA1066

Canada

Agricultural Situation

This Week in Canadian Agriculture, Issue 16 2001

Approved by:

Norval Francis

U.S. Embassy, Ottawa

Prepared by:

Kathleen Wainio, George Myles, Matthew

Report Highlights:

What's New, EH?

- * U.S. AND CANADIAN OFFICIALS AGREE ON CONDITIONS FOR THE MOVEMENT OF POTATOES FROM PRINCE EDWARD ISLAND**
- * CANOLA, DURUM ACREAGES DOWN SHARPLY**
- * SEEDING UNDERWAY IN SOUTHWEST SASKATCHEWAN**
- * SECRETARY VENEMAN ATTENDS SUMMIT OF AMERICA**
- * HOUSE AG COMMITTEE CHAIRMAN LEADS DELEGATION TO SUMMIT OF THE AMERICAS**
- * QUEBEC MOVES TO PROTECT ELK AND DEER HERDS**

And More...

Includes Trade Matrix: No
Unscheduled Report
Ottawa [CA1], CA

This Week in Canadian Agriculture is a weekly review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives. Substantive issues and developments are generally also reported in detail in separate reports from this office.

Disclaimer: Any press report summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

U.S. AND CANADIAN OFFICIALS AGREE ON CONDITIONS FOR THE MOVEMENT OF POTATOES FROM PRINCE EDWARD ISLAND: On April 26, U.S. and Canadian officials announced that an agreement had been reached to allow the movement of potatoes grown from Prince Edward Island (PEI), Canada under certain agree conditions. These conditions apply only to the 2000 PEI potato crop and are designed to mitigate the risk of spreading the potato wart disease. Agriculture Minister Lyle Vancilief stated, "I am extremely pleased a deal has been worked out and that the issue is moving toward full resolution. This is great news for PEI potato producers." The Minister said he is encouraged by the development allowing movement of the 2000 potato crop and that the Government of Canada will continue to work with the U.S. on an agreement for the 2001 crop.

PETTIGREW COMMENTS ON U.S. INITIATION OF LUMBER INVESTIGATIONS: An April 24 press release from the Department of Foreign Affairs and International trade stated that on April 23, the U.S. Department of Commerce (DOC) initiated countervailing and anti-dumping investigations of softwood lumber exports from Canada. The release noted that the decision by the U.S. DOC is quite disappointing and unjustified, given the documentation supplied by Canadian governments and industry regarding the deficiencies of the petitions. The legal team for the Government of Canada (GOC) has reviewed the U.S. petitions, and the GOC believes there is no evidence of subsidy, dumping or injury to U.S. industry. The GOC has already taken a number of steps to defend its softwood lumber industry, including challenging U.S. legislation before the World Trade Organization and closely monitoring Canadian lumber exports to counter false U.S. claims.

CANOLA, DURUM ACREAGES DOWN SHARPLY: The April 24 edition of *Canadagriculture Online* reported that Statistics Canada's March seeding intentions survey (taken between March 23 and 31) indicates significant acreage changes for several major crops. Canola shows the biggest drop, in both absolute and percentage terms. At a projected 9.275 million acres (all provinces) for 2001, it's down by 2.82 million (22%) from last year's 12.095 million acres. Durum wheat drops 19%, from 6.53 million acres last year to a projected 5.31 million this year. Dry peas are up 17%, from 3.06 million acres last year to 3.57 million this year. Intended acreages (in millions -- all provinces) of other crops follow, with last year's actual acreages in brackets: winter wheat 1.0 (1.0); non-durum spring wheat 20.9 (20.1); oats 4.9 (4.5);

barley 12.8 (12.6); all rye 0.3 (0.4); flaxseed 1.4 (1.5); grain corn 3.1 (2.9); soybeans 2.5 (2.6); lentils 1.6 (1.7); mustard seed 0.3 (0.5). For the first time in many years, the intentions report indicates a significant increase in prairie summer fallow acreage - up 15% to 13.3 million acres from 11.6 million last year. Since a significant slice of the increase is in Manitoba, it appears that dryness is not the only reason farmers are planning to idle more acres.

SEEDING UNDERWAY IN SOUTHWEST SASKATCHEWAN: According to an April 24 *Canadagriculture Online* article, a few areas in southwestern Saskatchewan reported that their spring seeding is about 1% complete, with field peas, barley, canola, lentils, spring wheat, durum and oats in the ground. Much of the province is working on tillage, chemical and fertilizer application and rock picking, except in the very muddy southeast and east-central regions. Rain in the past week improved moisture in the north central and northwest regions and further soaked the southeast. Poor to fair moisture is reported in the west, and hay and pasture land in the west, west central and northwest (an area west of a diagonal line between Regina and the northeastern town of Hudson Bay) is in poor to fair moisture conditions, a concern for ranchers planning to move their animals to spring pastures soon. Fall-seeded crops are starting to green up, with a bit of winter wheat damage expected in the southeast due to cold weather.

SECRETARY VENEMAN ATTENDS SUMMIT OF AMERICA: Secretary Veneman attended the Summit of the Americas April 20-22 in Quebec City and used the occasion to hold bilateral meetings with three of our major trading partners: Argentina, Brazil and Canada. The Secretary emphasized the importance of open and free markets to farmers throughout the Hemisphere.

HOUSE AG COMMITTEE CHAIRMAN LEADS DELEGATION TO SUMMIT OF THE AMERICAS: Representative Larry Combest, Chairman, House Agriculture Committee, led a delegation of eight Congressmen to the Summit of the Americas. The Chairman and his delegation were briefed by Secretaries of Agriculture and Commerce and the U.S. Trade Representative on developments in the Free Trade of the Americas Agreement. Chairman Combest's presence at the Summit helped to emphasize the importance the United States places on liberalized agricultural trade for the Hemisphere.

QUEBEC MOVES TO PROTECT ELK AND DEER HERDS: According to *Canadagriculture Online*, Quebec's Ministry of Agriculture is requiring all elk and deer farmers in the province to obtain a provincial permit to bring Cervids into the province. Any cervids from outside the province must originate from herds that are certified free of chronic wasting disease (CWD). Late last year, the Canadian Food Inspection Agency (CFIA) ordered the slaughter of 1,700 domesticated elk at six Saskatchewan farms in attempt to stop the spread of CWD (see CA 0206). The disease has not been detected in any other province. Canada's elk population is estimated at 53,000 head and is raised primarily for antler velvet. Canada is the fourth-largest antler velvet producer in the world, behind New Zealand, China and Russia. Most of Canadian antler velvet is exported to Asia where it is sold for medicinal purposes and as an aphrodisiac.

Did You Know...

In Canada the agri-food industry accounts for one in 7 jobs?

Find Us on The Web:

Visit our headquarters' home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

Recent Reports from FAS/Ottawa:

| Report Number | Title of Report | Date |
|----------------------|---|-------------|
| CA1060 | Total Grain and Coarse Grain Production Up 7% to 54.5 MMT for | 4/4/2001 |
| CA1061 | PMO Announces Creation Of Agricultural Taskforce | 4/5/2001 |
| CA1063 | This Week in Canadian Agriculture, Issue 14 | 4/12/2001 |

Contact: FAS/Ottawa e-mail: usagr@istar.ca